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MEMORANDUM

SUBJECT : Chile: March 1969 Congressional Election

## 1. History and Description of Activity

On 12 July 1968, the 303 Committee approved a proposal originated by Ambassador Edward M. Korry to influence the composition of the next Chilean Congress to be elected on 2 March 1969. The election program, which is very modest in scope, is designed to help elect moderates of all three non-Marxist parties (Christian Democrat, Radical, and National) who can be expected to work against a popular front candidate in the 1970 presidential election or oppose the leftist policies of such a president, if one is elected. The program consists of three principal aspects:

a) direct support to about 15-20 carefully-selected candidates; b) mobilization of special interest groups and creation of propaganda mechanisms for the promotion of a psychological climate favorable to moderate candidates; and c) support to a splinter Socialist party to perpetuate and widen the split in the Marxist camp. Activities of the program, including selection of candidates to be supported, are conducted under the direction of an Embassy/CIA election team headed by Ambassador Korry.

## 2. Political Climate and Key Figures

There have been some recent developments which affect the political climate in which the congressional election of 1969 and the presidential election of September 1970 will take place. First, the Radical Party (which has about 15 percent of the vote) has been actively seeking an alliance with the Communists (also about 15 percent) and the Socialists (about 12-14 percent) for 1970. Should such an electoral coalition be realized, the chances are better than even that it would elect its presidential candidate, who might be either Socialist Senator Salvador Allende (pro-Castro and three times a candidate for president) or Radical Senator Alberto Baltra (far leftist economist and until recently president of the Chilean-Soviet Cultural Institute). Second, the ruling Christian Democratic Party (PDC) (with 30 - 35 percent of the vote) in August 1968 moved away from the moderate philosophy of President Eduardo Frei by electing a leftist party leadership, and confirmed this leftist posture in October by adopting a new and radical party platform (which politically calls for an opening to the left and in economic terms prescribes a Socialist formula for Chile). Present front-runner for the PDC nomination is former Ambassador to the U.S., Radomiro Tomic, who has been unsuccessfully seeking an alliance with the Communists for 1970 since his return to Chile in April 1968. Third, support for former President Jorge Alessandri (1958-1964), who is a moderate rightist, has been growing and his candidacy is now almost assured. In sum, in 1970 there is likely to be a three-way race in which the non-Marxist vote is split in the face of a strong Marxist/Radical alliance.

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## 3. Risks

US involvement in Chilean internal politics is a highly sensitive matter but the risks inherent in such an operation have been accepted in consideration of the US stake in Chile.

## 4. Funding Level

A total of \$350,000 has been approved for the election program. Of this amount, is for support to individual candidates and is for support to propaganda mechanisms and special interest groups. To date, approximately one half of the approved total funding has been committed.

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